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MT LEGISLATIVE HISTORY

Chapter 516 1985

Bill H 101 S _____ Original bill & hist. ___C

H. Committee on Taxation		S. Committee on Taxation	
Hearing Date(s) 1-15	___C	Hearing Date(s) 3-8	___C
1-29	___C	3-19	___C
_____	___C	3-20	___C
_____	___C	3-27	___C
Date Out 1-29	___C	3-27	___C
rpt 1-29		rpt 3-27	

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

HB 99 INTRODUCED BY BRADLEY, MONTAYNE, ET AL.
ENGINEERING TECHNOLOGY GRADUATE; EXAMINATION FOR ENGINEER-IN-TRAINING

1/07	INTRODUCED		
1/07	REFERRED TO EDUCATION & CULTURAL RESOURCES		
1/14	HEARING		
1/17	COMMITTEE REPORT-BILL PASS AS AMENDED		
1/19	2ND READING PASS	83	5
1/21	3RD READING PASS	91	7
	TRANSMITTED TO SENATE		
1/22	REFERRED TO EDUCATION & CULTURAL RESOURCES		
1/28	HEARING		
2/05	COMM REPORT-BILL CONCURRED AS AMENDED		
2/06	2ND READING CONCURRED	49	0
2/08	3RD READING CONCURRED	48	0
	RETURNED TO HOUSE WITH AMENDMENTS		
3/05	2ND READING AMENDMENTS CONCURRED	93	0
3/06	3RD READING AMENDMENTS CONCURRED	95	0
3/09	SIGNED BY SPEAKER		
3/11	SIGNED BY PRESIDENT		
3/11	TRANSMITTED TO GOVERNOR		
3/14	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 59 EFFECTIVE DATE: 3/14/85		

HB 100 INTRODUCED BY D. BROWN, M. WILLIAMS
MANDATE KINDERGARTENS IN ALL ELEMENTARY SCHOOL DISTRICTS

1/07	INTRODUCED		
1/07	REFERRED TO EDUCATION & CULTURAL RESOURCES		
1/09	HEARING		
1/10	FISCAL NOTE REQUESTED		
1/12	COMMITTEE REPORT-NO RECOMMENDATION		
1/14	REREFERRED TO EDUCATION & CULTURAL RESOURCES		
1/14	HEARING		
1/15	COMMITTEE REPORT-NO RECOMMENDATION		
1/17	FISCAL NOTE RECEIVED		
1/17	FISCAL NOTE REQUESTED		
1/19	FISCAL NOTE RECEIVED		
1/21	2ND READING DO NOT PASS	69	29
1/28	BILL KILLED		

HB 101 INTRODUCED BY D. BROWN, MARKS
REVISION OF MOTORCYCLE LAWS IMPOSING A FEE IN LIEU OF TAX ON MOTORCYCLES

1/07	INTRODUCED		
1/07	REFERRED TO TAXATION		
1/10	FISCAL NOTE REQUESTED		
1/15	FISCAL NOTE RECEIVED		
1/15	HEARING		
1/29	ADVERSE COMMITTEE REPORT		
1/29	OBJECTION TO ADVERSE COMMITTEE REPORT		
2/01	FISCAL NOTE REQUESTED		
2/07	FISCAL NOTE RECEIVED		
2/09	2ND READING PASS	83	16

2/11	3RD READING PASS	91	8
	TRANSMITTED TO SENATE		
2/12	REFERRED TO TAXATION		
3/08	HEARING		
3/21	FISCAL NOTE REQUESTED		
3/26	FISCAL NOTE RECEIVED		
3/27	COMM REPORT-BILL CONCURRED AS AMENDED		
3/29	2ND READING CONCURRED	31	7
4/01	3RD READING CONCURRED	37	9
	RETURNED TO HOUSE WITH AMENDMENTS		
4/04	2ND READING AMENDMENTS CONCURRED	82	8
4/05	3RD READING AMENDMENTS CONCURRED	90	2
4/12	SIGNED BY SPEAKER		
4/12	SIGNED BY PRESIDENT		
4/12	TRANSMITTED TO GOVERNOR		
4/17	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 516 EFFECTIVE DATE: 1/1/86		

HB 102 INTRODUCED BY D. BROWN
ELECTION OF PUBLIC SERVICE COMMISSION MEMBERS BY ENTIRE ELECTORATE

1/07	INTRODUCED		
1/07	REFERRED TO STATE ADMINISTRATION		
	DIED IN COMMITTEE		

HB 103 INTRODUCED BY D. BROWN, J. BROWN, ET AL.
REVISE YOUTH COURT JURISDICTION - YOUTH HOMICIDE TRIABLE IN DISTRICT COURT

1/07	INTRODUCED		
1/07	REFERRED TO JUDICIARY		
1/09	HEARING		
1/15	COMMITTEE REPORT-BILL PASS AS AMENDED		
1/17	2ND READING PASS AS AMENDED	97	0
1/19	3RD READING PASS	84	0
	TRANSMITTED TO SENATE		
1/22	REFERRED TO JUDICIARY		
2/07	HEARING		
2/12	COMM REPORT-BILL CONCURRED AS AMENDED		
2/15	2ND READING CONCURRED AS AMENDED	50	0
2/18	3RD READING CONCURRED	45	4
	RETURNED TO HOUSE WITH AMENDMENTS		
3/05	2ND READING AMENDMENTS CONCURRED	87	4
3/06	3RD READING AMENDMENTS CONCURRED	96	1
3/09	SIGNED BY SPEAKER		
3/11	SIGNED BY PRESIDENT		
3/11	TRANSMITTED TO GOVERNOR		
3/14	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 60 EFFECTIVE DATE: 10/01/85		

HB 104 INTRODUCED BY MARKS
ALLOW COUNTY TO PURCHASE WARRANTS OF SCHOOL DISTRICTS AND MUNICIPALITIES

HOUSE BILL NO. 516

INTRODUCED BY [signatures]

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE THAT LOCAL GOVERNING BODIES AND THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES MAY APPLY ONLY THOSE RULES IN EFFECT AT THE TIME A SUBDIVISION APPLICATION IS SUBMITTED FOR REVIEW; AMENDING SECTIONS 76-3-501 AND 76-4-104, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 76-3-501, MCA, is amended to read:

"76-3-501. Local subdivision regulations. (1) Before July 1, 1974, the governing body of every county, city, and town shall adopt and provide for the enforcement and administration of subdivision regulations reasonably providing for the orderly development of their jurisdictional areas; for the coordination of roads within subdivided land with other roads, both existing and planned; for the dedication of land for roadways and for public utility easements; for the improvement of roads; for the provision of adequate open spaces for travel, light, air, and recreation; for the provision of adequate transportation, water, drainage, and sanitary facilities; for the avoidance or minimization of congestion; and for the avoidance of subdivision which would involve unnecessary environmental degradation and the avoidance of danger of injury to health, safety, or welfare by reason of natural hazard or the lack of water, drainage, access, transportation, or other public services or would necessitate an excessive expenditure of public funds for the supply of such services.

(2) Review and approval or disapproval of a subdivision under this chapter may occur only under those regulations in effect at the time an application for approval of a preliminary plat is submitted to the governing body."

Section 2. Section 76-4-104, MCA, is amended to read:

"76-4-104. Rules for administration and enforcement. (1) The department shall adopt reasonable rules, including adoption of sanitary standards, necessary for administration and enforcement of this part.

(2) The rules and standards shall provide the basis for approving subdivision plats for various types of water, sewage facilities, and solid waste disposal, both public and private, and shall be related to size of lots, contour of land, porosity of soil, groundwater level, distance from lakes, streams, and wells, type and construction of private water and sewage facilities, and other factors affecting public health and the quality of water for uses relating to agriculture, industry, recreation, and wildlife.

INTRODUCED BILL
HB 516

(3) The rules shall further provide for:

(a) the furnishing to the department of a copy of the plat and other documentation showing the layout or plan of development, including:

(i) total development area;

(ii) total number of proposed dwelling units;

(b) adequate evidence that a water supply that is sufficient in terms of quality, quantity, and dependability will be available to ensure an adequate supply of water for the type of subdivision proposed;

(c) evidence concerning the potability of the proposed water supply for the subdivision;

(d) adequate evidence that a sewage disposal facility is sufficient in terms of capacity and dependability;

(e) standards and technical procedures applicable to storm drainage plans and related designs, in order to insure proper drainage ways;

(f) standards and technical procedures applicable to sanitary sewer plans and designs, including soil percolation testing and required percolation rates and site design standards for on-lot sewage disposal systems when applicable;

(g) standards and technical procedures applicable to water systems;

(h) standards and technical procedures applicable to

solid waste disposal;

(i) requiring evidence to establish that, if a public sewage disposal system is proposed, provision has been made for the system and, if other methods of sewage disposal are proposed, evidence that the systems will comply with state and local laws and regulations which are in effect at the time of submission of the preliminary or final plan or plat.

(4) Review and certification or denial of certification that a division of land is not subject to sanitary restrictions under this part may occur only under those rules in effect at the time an application is submitted to the department."

-End-

STATUS SHEET

HOUSE TAXATION COMMITTEE

49th Legislature

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
HB 62	Establish a blue ribbon income tax study commission to evaluate alternative methods for structuring Montana's income tax laws	1-7-85	Bradley	1-14-85	DO NOT PASS	1-17-85
HB 64	Eliminating property taxes on livestock, etc.	1-7-85	Cody	2-6-85	TABLED 2-7-85	
HB 68	Revise and broaden the property tax exemption for fraternal organizations, etc.	1-7-85	Hand	1-16-85	TABLED	
HB 73	Exempt for inheritance tax purposes property distributed or passing to a decedent's parent or sibling, etc.	1-7-85	Holliday	1-17-85	TABLED 1-25-85	
HB 92	Create a new class of property for agricultural implements and equipment, etc.	1-7-85	Ernst	2-6-85		
HB 101	To generally reviese the laws relating to motorcycles, etc.	1-7-85	D. Brown	1-15-85	DO NOT PASS, AS AMENDED	1-29-85

Form CS-32
1-81

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

January 15, 1985

The fourth meeting of the Taxation Committee was called to order by Chairman Gerry Devlin in room 314-1 of the state capitol building at 8:09 a.m.

ROLL CALL: All members were present with the exception of Representative Williams, who was excused.

CONSIDERATION OF HOUSE BILL 101: Representative Dave Brown, District 72, Butte and Silver Bow County, said that this bill does two things - it establishes a flat fee for motorcycles of $30.00 for motorcycles that are less than five years old and $15.00 for bikes that are over five years old. He continued that it also creates a new term in the statute called quadricycles, so that basically a four-wheel vehicle can be licensed and then it can be driven on the roads of the state. He explained that there were approximately 50,000 motorcycles in the state of Montana and, of those, 30,000 are registered so that leaves approximately 20,000 motorcycles that are not registered.

PROPONENTS:

Representative Marks, District 75, stated that he supported this bill and he felt that the tax should be reasonable enough so people will pay it. He indicated that there are a lot of three and four-wheel vehicles that are so expensive for people to tax, that they are not likely to pay these taxes and they are not registering them. He commented that he had some friends who use these vehicles for recreation only and when they go to license them, they have to license them as automobiles and the cost becomes prohibitive.

Bill Steverburg (?) from Missoula spoke in support of this bill saying that he could drive a $50,000 Mercedes-Benz and he might have to pay $90.00, but he drives a Harley-Davidson and it is nothing to pay $250.00 for a vehicle that is used only six months.

Dale Smilie offered testimony in support of this bill and handed out to the committee information supporting his testimony. See Exhibit 1.

Bob Culley, representing a group of dealers in the state of Montana, stated that the use of quadricycles, A.T.V.s and other recreational vehicles has become sizeable in the state and these are a type of vehicle that ranch and agricultural people use more and more. He said that some of these people are being picked up by sheriffs and deputies on rural roads as they moved from one piece of land to another.

Adolph Steinmetz from Silver Bow, testified that they have a motorcycle club in Butte and there where things are pretty tough, a flat fee would give a lot better income for the state. He explained that a lot of people ride dirt bikes back and forth to work and they will take the license off other vehicles and go down the road, and there is no way, unless you are doing something wrong, that the police will find out.

There were no further proponents.

OPPONENTS:

There were no opponents.

QUESTIONS ON HB 101:

Representative Patterson asked if Representative Brown felt that the safety on the highways would be decreased by allowing these quadricycle vehicles to be driven on the state highways.

Representative Brown replied that he did not think any of them would be on the state roads unless they are used by farm people who are going from one piece of property to another down the road a ways, which he felt was going on right now. He explained that most of the quadricycles are off-road vehicles and usually loaded up in the back of a car or pickup and he does not see this as a big problem as the speed is not very fast and they would be out of their mind to use it on an interstate.

Representative Sands asked if this fee would not drop dramatically after the first few years.

Mr. Smilie replied that when the motorcycle does go down in cost, the license fee also goes down.

Representative Hanson asked who is going to go out and catch all these people who haven't been licensing their motorcycles.

Representative Brown responded that the present situation shows that unless there is an accident or someone is doing something illegal, they are not stopped and that scenario won't change by this legislation and if you are a person who wants to avoid the tax, you can keep avoiding it. He thought this would encourage the people who want to live by the laws of the state.

Chairman Devlin asked Mr. Smilie if the figure of $459.00 on a new Honda included what he called sales tax on a new vehicle.

Mr. Smilie replied that that figure was for the second year, and this was the most expensive Honda.

Chairman Devlin asked if there was a new vehicle tax on new motorcycles as there is on new automobiles.

Mr. Smilie answered that he just bought a new BMW; the first year he paid $120.00 and then starting January 1, he paid $340.00 for the second year, so it just doubled. The first year was a new vehicle tax, a license, etc.

Representative Devlin asked if the $490.00 was after he had paid a new vehicle tax, and was not included in that.

Mr. Smilie responded yes, that this was financed and bought in September and since it is on a calandar year, on January 1, you have to go back and you are hit with this a second time. He stated that they are not advocating that the tax be gotten rid of as the state has to be funded somehow.

There were no further questions.

Representative Brown said that it was pointed out to him that there was a minimum speed of 45 miles-per-hour on the interstate highways, so the four-wheel vehicles won't be allowed out there anyway. He concluded that he would ask the committee to take a look at the end of that paragraph

where it exempts golf carts and it appears to him that in drafting this, they did not do a thing about golf carts and he suspects the committee might want to take a look at this.

The hearing on this bill was closed.

CONSIDERATION OF HB 36:

Representative Kitselman, District 95, stated that this was the fee-in-lieu-of tax bill for motorcycles and he called the attention of the members of the committee to page two of the bill, which shows the matrix of motorcycles by age and size. He informed the committee that the vast majority of motorcycles are 900 cc or less and in Yellowstone County, they doubted if there would be any significant reduction in revenues under this particular proposal.

Dal Smilie, of Helena, said that this was HB 33 last session and the fiscal note on this bill is somewhat different than the one from last session. He commented that no one really knows how much this is going to cost, but he didn't think it was going to cost anything as he thought more people would register and register for longer.

Bob Culley, representing a dealers' group, said he also is an owner of four motorcycles, one of which is currently plated and the other three are generally driven off the roads so he asked why pay the tax. He disclosed that he had a friend who has fourteen motorcycles, some of which are quite old, he has two current plates and can't pay the tax for the others.

There were no further proponents.

OPPONENTS:

There were no opponents.

Chairman Devlin read a letter from Charles A. Graveley, lobbyist for the County Assessors, County Treasurers and County Coroners, who oppose this bill and also HB 101. See Exhibit 2.

TO: House Taxation Committee
FROM: Dal Smilie
RE: HB-36 and 101

License plates for a 1985 Limited Edition Honda Goldwing in School District #1, Lewis & Clark County are $459.95. Plates for a new BMW or Harley-Davidson range above $340.37. A new Rolls Royce, Cadillac or Corvette cost between $70 and $90. 61-3-533(1), MCA. Considering that motorcycles use the roads 3-5 months this differential is unfair.

There are presently 48,318 titled motorcycles in Montana. With an average of three persons per family there are 144,954 Montanans with a road motorcycle in the household. If you consider non road motorcycles there are 217,431 Montanans who have a motorcyle in the household and who are friendly to these bills.

Montanans use their motorcycles for:

- Agriculture
- Commuting
- Tourism

Motorcycles are a fun and fuel efficient means of transportation. However rising costs including Montana's confiscatory license system have caused a marked drop in total motorcycles of 2618 and in registered motorcycles of 3359 since the fourth quarter of 1983. This drop reflects the great harm caused to the over 100 Montana motorcycle dealers plus all the others servicing this market.

The licensure system needs to be changed as provided in either HB-36 or 101. Motorcycles cause little road wear, take small parking places and only operate a few months a year. Motorcyclists ask for no favors, they do not ask for partial year licensure to reflect actual road use; they do ask for equitable treatment in relation to other light vehicle road users.

Please favorably consider these bills and rport either as "Do Pass". Thank you for your consideration. Note that these motorcycle flat fee bills are proliferating, its time has come.

HB 101

CHARLES A. GRAVELEY
Attorney at Law
222 Broadway
Helena, MT 59601

(406) 442-1700
(406) 442-3100

January 15, 1985

To: House Taxation Committee

From: Charles A. Graveley
Lobbyist for County Assessors, County Treasurers
and County Coroners

Re: HB 36 and HB 101

Due to a court committment I am unable to attent the hearings on the above number bills scheduled for this date. However, I wish to make the committee aware of the impact that such a bill, if passed, would have on the counties across the state.

The last session of the legislature was presented with a bill substantially the same as the present proposed legislation. It was also presented with legislation to put aircraft and water craft on a flat fee system. All such legislation was defeated. Now, the same type of legislation is being proposed on the grounds of fairness to the persons who own motorcycles. It is time that all on this committee stop and consider the effect such a law will have upon the local tax base. I can assure this committee that if this bill, or either of them, is allowed to become law, that other similar types of legislation will be proposed, all with the same effect; substantially lowering the taxable valuation of the counties.

As all of you are aware, the counties are already financially strapped. Many of the counties are already taxing the real property located within their boundaries at the maximum permissible mill levy. If the tax base continues to be eroded, the counties will have no alternative but to cut back on vital services to their citizens. You have already heard testimony on a bill to exempt producer held grain from taxation. You will soon hear a bill to eliminate taxation on livestock. You will soon hear a bill exempting church owned passenger vehicles from taxation of fees. There is also a bill pending to reduce the taxable valuation on agricultural implements and equipment. All such bills, if combined in their effect upon the counties, would be devastating.

Now is the time to stop the erosion of the tax base for the local governments. I, on behalf of my clients, urge you to give a <u>do not pass</u> recommendation to the bill. Better yet, kill the bill in committee.

Thank you for your consideration.

6

State of Montana

Proclamation

WHEREAS, the motorcycle has become an important and economical mode of transportation involving such activities as commuting, touring and recreation, and as an aid to agriculture; and

WHEREAS, the motorcycle is an energy efficient vehicle that reduces urban traffic and parking congestion while treading lightly on an overworked road system; and

WHEREAS, the early summer weather reintroduces numerous motorcyclists, after a season of unpracticed skills, to auto drivers unused to looking for motorcyclists, with sometimes painful and lethal results; and

WHEREAS, the motorcyclist has the right, by state statute, to be given his full share of the roadway without encroachment by other motor vehicles.

NOW, THEREFORE, I, TED SCHWINDEN, Governor of the State of Montana, do hereby proclaim July 8 - 17, 1983, as

MOTORCYCLE AWARENESS WEEK

in Montana and urge all governmental agencies, civic/service organizations, schools, drivers and riders to make a concerted effort to make motorcycling the safest activity in Montana, through programs aimed at both young and adult motorcycle operators and other vehicle operators, so that improved sharing, mutual respect and awareness exist on our Montana roadways.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the GREAT SEAL OF THE STATE OF MONTANA to be affixed. DONE at the City of Helena, the Capital, this twentieth day of May, in the year of our LORD, one thousand nine hundred and ~~eighty-three~~.

TED SCHWINDEN
Governor of Montana

ATTEST:

JIM WALTERMIRE
Secretary of State

HB101
1-15-85

Capital Station
Helena MT.

Write

The cost of liseren motorcycles in Montana is much higher than it should be. I have not made a purchase of a motorcycle in Montana since moving here 2 yrs. ago because of the high cost of lisence fees annually.

I really enjoy riding but feel it is not fairly represented in this state in relation to automobiles. I would like to see a major reduction in lisence fees and see more growth in the sport of motorcycles.

Sincerely-
Roger Cathey

Roger Cathey
1651 Kelby Dr. #2
Billings, MT. 59105

January 16, 1985

Taxation Committee
Capitol Station
Helena MT 59620

Ladies + Gentlemen:

I support HB 36 + HB 101, and am writing to ask your support of these two bills. License costs for motorcycles have become unbearable. My license cost $39, while the cycle costs 4 times as much. The cycle is more energy efficient, less wear on the highways but is more subject to theft + the costs is not. The $7000 cycle owned in the State of Montana be exempt of sum tax, paying security.

May I ask your support? Thank you!

Sincerely,

Robert J. Beaulieu
P.O. Box 1129
Helena, MT 59624

HB 101
HB101
1-15-85

January 16, 1985

Taxation Committee
Capital Station
Helena, Mt. 59620

Dear Committee members:

I support House Bill 36. I hope you also support this bill. A motorcycle is on the road a maximum of 6 months a year in comparison ~~to~~ to a car with a 12 month usage in Montana. Motorcycles are not as hard on the highways as cars yet are taxed at a higher rate. Motorcycles are used for personal transporation and should be taxed at a flat rate the same as automobiles.

Sincerely,
Lars D. Cearley

January 16, 1985

Taxation Committee
Capitol Station
Helena, MT. 59620

Dear Committee members:

I support House Bill 36. I hope you also support this bill. A motorcycle is on the road a maximum of 6 months a year in comparison to a car with a 12 month usage in Montana. Motorcycles are not as hard on the highways as cars yet are taxed at a higher rate. Motorcycles are used for personal transportation and should be taxed at a flat rate the same as automobiles.

Sincerely
James M. Curley

January 17, 1995

HB 36
HB 101
1-15-

Jan Brown, Representative
Capitol Station
Helena, Mt. 59620

Dear Jan -

I am asking your support for HB 36. We certainly appreciated the changes you helped bring about in reducing licensing fees for our automobiles - a max of $90.

When this change was made, motorcycles were excluded. I cannot but feel that this exclusion was an oversight. I am facing license fees for my motorcycle that are several times the license fee for the most expensive auto available.

Most unjust when you consider the following:

1. Only 2 tires on the road, a car has 4.
2. Energy efficient: 39-55 mpg
3. The best way to see our great state.

Passage of HB 36 is important. We appreciate your support. If you need more input on this issue, please give me a call.

Sincerely yours
Dick & Bonnie Field
137 Fairway Dr.
443-5759 or 449-6514

The hearing on HB 311 was closed.

EXECUTIVE SESSION:

DISPOSITION OF HOUSE BILL NO. 26: Representative Switzer presented proposed amendments to this bill (Exhibit 9) and moved HB 26 DO PASS and moved the amendments. Mr. Bohyer reviewed the amendments and there was discussion on these amendments. The motion to adopt the amendments CARRIED unanimously.

Representative Keenan noted that this bill is a policy issue and that constitutionally, they have to treat all properties in one class equally.

Representative Ream explained that he would have to oppose the bill because the cost of diesel to move the dead locomotives to Livingston, Glendive, or Mandan, as well as the utilities to heat or cool the buildings, are more of a factor than the small amount of savings with this tax incentive.

Representative Cohen said he did not think tax incentives will ever be a way to promote economic development.

A roll call vote was taken on the motion that HB 26 DO PASS AS AMENDED and the vote CARRIED with 14 members approving and 6 members opposing. (See Roll Call Vote)

DISPOSITION OF HOUSE BILL NO. 241: Chairman Devlin informed the committee that Representative Kadas has proposed amendments to this bill (See Exhibit 9). Representative Ream moved to reconsider HB 241. The motion CARRIED unanimously.

Representative Asay moved to accept the amendments and Mr. Bohyer outlined the amendments. Representative Asay explained that the purpose of the amendments is to allow a certain amount of convenience to the mobile home owner without cutting into the paperwork for the taxing district. The motion to adopt the amendments CARRIED unanimously.

Representative Ream moved HB 241 DO PASS AS AMENDED. The motion CARRIED with Representatives Williams and Devlin opposing the motion.

DISPOSITION OF HOUSE BILL NO. 101: Representative Hanson presented proposed amendments to this bill (Exhibit 10) and moved the adoption of the amendments.

Chairman Devlin noted that this is another case where the fiscal note is based on projections that more people will pay the fees than are currently licensing. There was a good deal of discussion regarding the fee system.

The motion to adopt the amendments CARRIED with Representative

Zabrocki opposing the motion.

Representative Harrington moved HB 101 DO PASS AS AMENDED. A roll call vote was taken and the motion FAILED with 10 members opposing and 9 members approving the motion. The motion was reversed to DO NOT PASS AS AMENDED and the roll call vote was reversed.

DISPOSITION OF HOUSE BILL NO. 36: Representative Raney moved HB 36 DO PASS. A roll call vote was taken and the motion FAILED with 10 members opposing and 9 members approving the motion. Representative Ream moved HB 36 be TABLED. The motion CARRIED with Representatives Patterson and Hanson opposing.

ADJOURNMENT: There being no further business, the meeting was adjourned at 11:20 a.m.

Gerry Devlin
GERRY DEVLIN, Chairman

Alice Omang
Alice Omang, Secretary

STANDING COMMITTEE REPORT

January 29, 19 85

MR. SPEAKER

We, your committee on TAXATION

having had under consideration HOUSE Bill No. 101

FIRST reading copy (WHITE)
color

REVISION OF MOTORCYCLE LAWS IMPOSING A FEE IN LIEU OF TAX ON MOTORCYCLES

Respectfully report as follows: That HOUSE Bill No. 101 be amended as follows:

1. Page 1, line 24.
Following: "horsepower."
Insert: "The term does not include golf carts."

2. Page 2, line 9.
Following: "age"
Insert: "and engine size"

3. Page 2.
Following: line 10
Strike: lines 11 and 12 in their entirety
Insert: "

	500cc or less	more than 500cc
less than 5 years old	$33.50	$51.50
5 years old or over	17.50	17.50"

AND AS AMENDED, DO NOT PASS
~~DO PASS~~

Chairman.

STATE PUB. CO.
Helena, Mont.

COMMITTEE SECRETARY

Exhibit 10
HB 101
1/29/85
Rep. Hanson

PROPOSED AMENDMENTS

House Bill No. 101
Introduced Copy

1. Page 1, line 24.
Following: "horsepower."
Insert: "The term does not include golf carts."

2. Page 2, line 9.
Following: "age"
Insert: "and engine size"

3. Page 2.
Following: line 10
Strike: lines 11 and 12 in their entirety
Insert: "

	500cc or less	more than 500cc
less than 5 years old	$32.50	$52.50
5 years old or over	17.50	27.50"

CHAIRMAN--TOWE, TOM
NORMAL SCHEDULE==> SITE: ROOM 413/415 DAYS: M-TU-W-TH-F TIME: 8:00-10:00 A.M.

SECRETARY-AAGENES, NANCY

--BILL NO---	REFER DATE---	HEARING DATE---	CONSIDERATION DATES----------	COMMITTEE ACTION----------	REREFERRED TO COMM----	DATE OUT-
HB0056 GILBERT, BOB	1/14	1/18	1/18 1/22 REDUCE RECORD RETENTION PERIOD RELATING TO SPECIAL FUEL	CONCUR AS AMENDED		1/22
HB0096 HOLLIDAY, GAY	1/26		3/4 Re-referred ~~to~~ Natural Resources OIL AND GAS OPERATOR MUST PAY INTEREST ON UNPAID ROYALTIES 60 DAYS AFTER DUE	NATURAL RESOURCES		
HB0101 BROWN, DAVE	2/12	3/08	3/19, 3/20, 3/27 REVISION OF MOTORCYCLE LAWS IMPOSING A FEE IN LIEU OF TAX ON MOTORCYCLES	CONCUR AS AMENDED		3/27
HB0105 MARKS, ROBERT L. (BOB)	2/09	3/08	3/18 REQUIRE STAB TO DECIDE APPEALS WITHIN 90 DAYS OR PAYMENT OF SALARY WITHHELD	ADVERSE REPORT		3/18
HB0122 BROWN, DAVE	2/11	3/08	3/11, *4/5, 4/17 REVISE TAX INCENTIVE FOR NEW OR EXPANDING INDUSTRY	TABLED		4/5
HB0140 ASAY, TOM	1/29	2/15	 PRORATION OF TAXES ON MOBILE HOMES ASSESSED AFTER SECOND PAYMENT DATE	CONCUR		2/15
HB0154 PISTORIA, PAUL G.	1/29	2/15	 REPEAL OF THE MONTANA ECONOMIC LAND DEVELOPMENT ACT	CONCUR		2/15
HB0168 DONALDSON, GENE	2/13	3/21	3/27, 4/5, 4/9 TO REQUIRE CAPITALIZATION OF NET INCOME METHOD FOR VALUING AG LANDS	CONCUR AS AMENDED		4/9
HB0171 SWITZER, L. DEAN	2/13	3/07	3/9 INCREASED INTEREST ON DELINQUENT PROPERTY TAXES	CONCUR		3/9
HB0172 SANDS, JACK	1/28	2/08	2/15 "LEASEHOLD IMPROVEMENTS" CLARIFIED FOR TAXATION PURPOSES	TABLED		2/15
HB0176 BARDANOUVE, FRANCIS	1/29	2/15	 AUTHORIZE PAYMENT OF COSTS RELATED TO TAX ANTICIPATION NOTES	CONCUR		2/15

it would be a guess on the odds to answer the question. He said that six months is an adequate time and that to wait longer would make it more difficult to decide as the hearing faded from memory.

Mr. Raundal said that if it was clear that the 180 days came after the hearing it could help. He said he didn't know any cases that had taken that long after the final briefing. He offered the committee Exhibit 6 which is a synopsis of the Kaiser Cement appeal.

Senator McCallum asked Mr. Ward Shanahan, attorney for Kaiser Cement, to discuss the case and he explained the issues and timing involved.

Representative Marks closed saying that if STAB had gotten these rulings out in a timely fashion then there should be no concern about the bill.

CONSIDERATION OF HB 101: Representative Dave Brown, House District 72, was recognized as chief sponsor of the bill. He said the bill would generate revenue and would allow for the licensing of motorcycles in a more fair way. He said that taxing motorcycles as property had resulted in their being very costly to license compared to cars. He said that was unfair because they are used only a few months a year, they are easier on roadways and they are more fuel efficient. He said it raises the lower end, and brings down the top end, making it acceptable.

PROPONENTS

Representative Bob Marks said that his concern is that four-wheelers currently fall into no category and cannot be licensed. He said that with this fee system more money would be generated and he would appreciate support for the bill.

Mr. Robert Culley of the Montana Motorcycle Dealers Association said the status quo is very unjust to owners of large bikes and that it needs to be changed.

Mr. Richard Clark said that he owns a motorcycle dealership. He said that the fiscal note is very incorrect in its percentage assumptions. He said the market has changed dramatically and about 70 percent of all bikes are over 500 ccs. He discussed the size of motorcycles and noted that small bikes are not being made so much anymore. He felt the bill would generate more revenue than the fiscal note indicated. He told the committee that now the fine for no license is $30 and the cost to license is sometimes over $500. He said that if a bike is licensed improperly that is a $30 violation. He said that bikes can be licensed out-of-state for about $10. Basically his testimony indicated that it was better to take the risk than license the bike. "Make up your own mind when you get to it," he said. He said that many bikes operate out of the system and that the bill would also help sales in a declining industry.

Mr. Dick Field submitted his testimony in writing (Exhibit 7).

Ms. Carol Snyder said that she is a motorcyle owner in favor of HB 101. She said that taxes on her Honda Goldwing are now $170.60.

Mr. Tom Taylor said that he owns two bikes one of which licenses for about $15 because it is old. "It is a five minute job to switch plates," he told the committee.

Mr. Melvin Beattie said that his new four-wheel drive truck licenses for about $99, while his bike cost much more than that. He submited Exhibit 8 to the committee.

Mr. Adolph Clements said that plates for his new Honda Goldwing cost $459 and that his other three vehicles which he uses much more do not even total that to license.

Mr. Jeff Whorl rose in support of HB 101.

OPPONENTS

Mr. Charles Gravely of the Montana County Treasurers Association and the Montana County Assessors Association said they are on record in opposition to HB 101. He said it is another example of the constant erosion of the county tax base. He said that everything based on valuation becomes less. He said the problem came from putting campers and motor homes on a flat fee system. He said originally the fee system was said to be only for the prime mode of transportation and now that is being extended to everything else.

He said a person out of the country in the service can sign an affidavit and not pay back taxes to relicense the vehicle. He said the plate changing would go on with a fee system as well.

Questions from the committee were called for.

Senator Severson asked who would pay the amount indicated in the fiscal note. Representative Brown said that those turned away from a chance to pay, those licensing off-the-road vehicles and those on the bottom end. Senator Severson said it was giving the big guy a break and hurting the small guy.

Representative Brown closed saying that Mr. Gravely's arguments were specious. He said he understood the philosophical argument, but that the reality was unfair. He said at worst the bill will be a wash in terms of revenue and would be more fair to the motorcycle owner.

CONSIDERATION OF HB 122: Representative Dave Brown, House District 72, was recognized as chief sponsor of the bill. He said the bill would allow property tax incentives for new and expanding industries. He said it was an economic development tool. He walked the committee through the provisions of the bill, noting that the school district could veto the incentive which would be passed in resolution form by another unit of local government.

PROPONENTS

Mr. Darrell Lee, Executive Director of the Butte Local Development Association, said they support HB 122. He said this would create a new tax base and would allow longer employment periods for workers. He submitted written testimony (Exhibit 9).

February 28, 1985

Senate Taxation Committee
49th Montana Legislature
Capitol Station
Helena, MT 59620

Dear Sirs:

I would like this letter to be considered as written testimony on HB-101. I am in support of this bill with amendments. I believe motorcycle licenses should be changed to a flat fee system. We are paying too much for our licenses. We are more energy efficient than cars, we are easier on the roads and I feel the current system is discriminating against motorcyclists. When the fiscal note for this bill was prepared the assumption was made that 46% of motorcycles in this state were over 500cc's. This assumption was credited to the Dept. of Motor Vehicles. Checking with the research person at this bureau in Deer Lodge, I find they keep no such records. There are reliable sources for this kind of information. The 1984 Motorcycle Statistical Annual, prepared by the Motorcycle Industry Council, states that 71% of the motorcycles in this country are over 500cc's. This means that we are going to see an even larger increase in revenue from this bill than had been suspected. Why not make this bill more equitable by lowering fees for the older and smaller motorcycles? I urge you to consider these figures more closely. Thank you.

Sincerely,

Jane Smilie

Jane Smilie
1127 5th Ave.
Helena, MT 59601

cc: Sen. Joe Mazurek
Sen. Dave Fuller

NORTHERN LIGHTS TOURING ASSOCIATION
1127 5th Ave. helena, MT. 59601
(406) 444 5622
442 0737

c/o Dal Smilie
AMA Road Rep. 524
AMA NW Region Trustee

TO BE ENTERED AS TESTIMONY FOR MARCH 8. HEARING ON HB-101

Thomas Towe, Chairman
Senate Taxation Committee
49th Montana Legislature
Capitol Station
Helena, MT 59620

RE: HB-101

Chairman Towe:

I write to support the passage of HB-101 with ammendments. There is a real need and desire for a flat fee license plan for motorcyclists. HB-101 provides for a flat fee but its figures are to high. The flat fee should be set out so it is not a tax increase and further so that it does not lose revenue for the state.

The fiscal note for HB-101, as amended, assumed that 46% of Montana's motorcycles were over 500cc, the Motor Vehicle Division was given as a source. My inquiries with the Division's research person in Deer Lodge demonstrated that they do not know these kinds of figures, the figures are a total assumption. Deer Lodge does not even know how many motorcycles there are because many are lumped into the category of "vanity plates" of which there are over 40,000, nobody knows which of those 40,000 are boat trailers and which are motorcycles. The 1984 Motorcycle Statistical Annual compiled and edited by the Motorcycle Industry Council's Research and Statistics Department at 3151 Airway Ave., Bldg. P-1, Costa Mesa, California 92626, states that in 1983 71% of the highway motorcycles were over 450cc. This is above the 1982 figure which was 67.6%. Clearly the revenue increase shown in the fiscal note is understated. The fee system should be amended to reflect a revenue wash.

There is a real need to change to a flat fee schedule. Calls to the Assessor's office in Helena to check license fees in School District #1 illustrated the following costs:

1985 Limited Edition Honda Goldwing	$459.95
1984 Honda GL	206.98
1985 BMW K100RT	285.17
1984 BMW R100RT	183.15
1985 Harley with sidecar	452.53

The Registrar's Bureau shows a decline in motorcycle ownership of 1279 between 1982 and 83 and 2031 between 1983 and 84. Presently there are 48,901 titled motorcycles in Montana of which 17,756 are not currently registered, remember the motorcycle figures which have been "lost" within the vanity plate class. By setting a flat fee and amending the schedule in HB-101 to reflect a revenue wash there is a potential to increase tax revenue by inducing greater registration.

Considering how low automobile license fees are it is clear that the motorcycle, a seasonal transportation vehicle, is grossly overtaxed. This confiscatory taxation scheme on the newer and larger motorcycles is harming the 82 motorcycle dealers in the state who employ 593 persons. This industry created a payroll of $8,637,000 in 1984. Beside the direct effect on these businesses the tax system affects the 48,901 motorcyclists. Industry figures estimate 24,451 untitled off-road motorcycles in the state. Adding both road and off-road together and counting three persons per household there may be 220,056 Montanans with a motorcycle in the household. On behalf of these Montanans I urge you to provide an equitable tax rate for motorcyclists. Please support and amend HB-101.

Montana's motorcyclists and dealers are more than willingto carry their fair share of the state's tax costs. However a tax structure like the present where taxes can be five times that of automobiles is tremendously unfair. The inflating costs of new vehicles in recent years has caused license fees to rise greatly causing many motorcyclists and their dealers to go broke.

Sincerely,

Dal Smilie

distinctive interiors within reason

March 8, 1985

Thomas Towe, Chairman
Senate Taxation Committee
49th Montana Legislature
Capitol Station
Helena, MT 59620

RE: HB-101

Chairman Towe:

A. B. Guthrie's book "Fairland, Fairland" is a fine book about our state. I do believe Montana is a "fair land" -- except for our treatment of motorcyclists and specifically the cost of licensing their vehicles.

In 1982 we addressed the fairness of license for our automobiles and went to a flat fee plan. What did this mean to me? A reduction in cost for my 78 Honda Accord from $220 to $58. Fair treatment from a "fair land", but what happened to the motorcyle owner?

I don't believe as some do that motorcyclists were singled out for exorbinant license fees, but that we were just overlooked, forgotten you might say, and that it was the intent to include motorcycles in the 1981 automobile flat fee plan.

It is 1985 and time to correct this oversight. HB-101 will treat owners of motorcyles fairly. I urge your support and passage of this bill.

Sincerely,

Dick Field

Exhibit 7 -- HB 101
March 8, 1985

field & fields

[illegible] fairway drive helena montana 59601 phone 406/443 5739

Cost $ 6400.00

1985

OWNER'S CERTIFICATE OF REGISTRATION AND PAYMENT RECEIPT

Current Plate	Type	Veh.Yr.	Make	Model	Style	Color
05-5854	MC	83	HD	MC	.C	RED

EXPIRATION DATE	Vehicle Ident./Motor No.	Title Number
851231	1HD1EAK10DY110392	K586131

Tab. No.	Gas (1) Diesel (2) LPG (3)	Equip. No.	Unladen Wt.	Ton(½,¾,)Etc.
33605	1			

Registered Owner's Name and Address

BEATTIE MELVIN K KARYL M
1936 TOWNSEND
HELENA 59601

Lienholder's Name and Address — Lien Amount

Val'd. by	Market Value	Taxable Val.	School Dist. #	Mill Levy	Co.
	4,377	481	1	418.14	05

Treas. or Dep: 6

I CERTIFY UNDER PENALTY OF LAW THAT THIS VEHICLE IS INSURED AS PRESCRIBED BY MONTANA STATUTE TITLE 61, CH. 6, PART 3, MCA. Signature of Registered Owner: X

Date Issued: 02/28/85

FOR COUNTY AND DEPARTMENT OF STATE REGISTRATION INFORMATION

Out of State Plate: CON | Title No. | State | Zip

Legal Domicile: OWNER'S COPY MONTANA

0585059122204 C1328045

MOTOR VEHICLE LICENSE
CLASS

100%	
55%	
SCH. 3	
GROSS WT.	
EXPIRES	851231

FEES PAID

G.V.W. Fee	
New Use Tax	
M.V. Fee	
Co. Tax	201.
Reg. Fee	2.00/2
Title	
Junk Vehicle	
F.W. & P.	
Co. Total	205.
Title	
Lien	
Pers. Plate	
Dup. Plate	
TOTAL	205.

1984

OWNER'S CERTIFICATE OF REGISTRATION AND PAYMENT RECEIPT

Current Plate	Type	Veh.Yr.	Make	Model	Style	Color
BEATTIE	PE	83	FORD	TK	PK	BROWHT

EXPIRATION DATE	Vehicle Ident./Motor No.	Title Number
850531	1FTCR11A8DUB59346	K564056

Tab. No.	Gas (1) Diesel (2) LPG (3)	Equip. No.	Unladen Wt.	Ton(½,¾,)Etc.
198622	1		OVER	1/2

Registered Owner's Name and Address

BEATTIE MELVIN K KARYL M
1936 TOWNSEND
HELENA 59601

Lienholder's Name and Address — Lien Amount

MUST BE RENEWED BY 6-25-84 OR THE PP FEE WILL BE CHARGED AGAIN. $20.00

Val'd by	Market Value	Taxable Val.	School Dist #	Mill Levy	Co.
	0	0	1	402.32	05

Treas. or Dep: 6

I CERTIFY UNDER PENALTY OF LAW THAT THIS VEHICLE IS INSURED AS PRESCRIBED BY MONTANA STATUTE TITLE 61, CH. 6, PART 3, MCA. Signature of Registered Owner: X

Date Issued: 05/31/84

FOR COUNTY AND DEPARTMENT OF STATE REGISTRATION INFORMATION

Out of State Plate | Title No. | State | Zip

Legal Domicile: OWNER COPY MONTANA

05841521608l0 C811729

MOTOR VEHICLE LICENSE
CLASS

X 100%	75%
55%	16%
SCH. 3	
GROSS WT.	006M Lbs.
EXPIRES	850531

FEES PAID

G.V.W. Fee	7.50
New Use Tax	
M.V. Fee	99.00
Co. Tax	
Reg. Fee	10.00/2.00
Title	
Junk Vehicle	.50
F.W. & P.	
Co. Total	119.00
Title	
Lien	
Pers. Plate	5.00
Dup. Plate	
TOTAL	124.00

Cost $ 10,500.00

Exhibit 8 -- HB 101
March 8, 1985

MOTION: Senator Brown moved that HB 26 be amended per Exhibit 3.

Mr. Shontz said that amendment 4 did clarify the bill and he had no objection to that. Historically, he said, no one operates in a vacuum. He said the school districts would be able to impact the other units of government. He said that he was uncomfortable with the expansion of taxing authority into school districts.

Senator Brown said the bill already separates the county from the city and by the same logic, he wanted the school district separated as well.

Senator Halligan noted that the city and county are general purpose governments and that the school district is not. Senator Lybeck agreed saying that the logic of extension would affect many other groups as well.

Question was called. Senators Brown, Mazurek and Towe voted yes on the amendments; Senators Halligan, Severson, Neuman, McCallum, Hirsch, Lybeck, and Goodover voted no. The motion failed.

The committee agreed that some amendment was necessary to clarify the problems in the bill. The committee discussed the necessary amendments which appear in the Standing Committee Report attached here.

MOTION: Senator Halligan moved that the amendments as reflected in the Standing Committee Report be made to HB 26. The motion carried unanimously.

MOTION: Senator Brown moved that HB 26 be concurred in as amended. Senators Neuman and Severson voted no; Senators Goodover, Halligan, Brown, Lybeck, McCallum, Hirsch, Mazurek and Towe voted yes; the motion carried. Senator Towe said that Senator Tveit would carry the bill on the Senate floor.

CONSIDERATION OF HB 101: Mr. Lear, committee staff, said that the definition of quadricycle would need to be clarified. After discussion and confusion about how to do that, Senator Severson said that if the bill were going to pass it should include three classes of motorcycles at different fees. He said it was a poorly drafted bill, being way too high at the bottom end and way too low at the top end. He said in its present form, the bill would have to be killed.

Senator Hirsch said the bill shouldn't be killed when some motorcycles have to pay more tax than four-wheel drive pick up trucks.

Vice Chairman Mazurek, in the chair, said the bill would be assigned to subcommittee for amendment purposes. He appointed Senator Halligan, chairman; Senators Hirsch and Severson to the subcommittee on HB 101.

Vice Chairman Mazurek adjourned the meeting at 9:40 am.

Chairman

Senator Neuman asked if the Public Service Commission considered BTU content. Mr. Alke answered that Montana price was on an MCF basis, with a minimum number of BTUs required per MCF. Mr. Quinn added that the industry standard is 1000 BTUs per MCF, but that in practice it ran between 900 and 1000 BTUs.

Senator Eck asked about the difference between compressed gas and propane. Representative Iverson said that propane is a gas condensed and cooled into a very heavy liquid that gives a large amount of energy for its volume. He said that condensed gas remains in a gaseous state, that it is mostly methane with some inert gases like nitrogen and argon also present. He said it is odorless and colorless. He said it cannot be readily used in a motorized vehicle as three stage compression is necessary to get enough volume to actually be functional. He said it is the cleanest fuel available and that an engine run 100,000 hours with compressed natural gas would have no carbon. Basically, he said, it doesn't stink.

Senator Neuman asked Mr. Norris if he was comfortable with the fiscal note. Mr. Norris deferred to the utility company representatives. Mr. Quinn said that MPC is running data on the current fleet to see if it can be economically justified. He noted again that they would not have to pay the amount they are now paying voluntarily.

Senator Lybeck asked if use of this fuel would be expanded. Representative Iverson said, yes. Senator Severson asked if the per mile tax was comparable to other fuels. Representative Iverson said, yes, that is what was attempted in computation of the 7 cent figure.

Some questions were raised about a related bill, House Bill 33. It was reported to the committee that HB 33 would be heard by the Senate Highways Committee on March 21.

Senator Mazurek asked if this tax should be put in that bill. Mr. Norris said that some law is needed and he did not indicate a strong preferance. He said all alternative fuels should be treated the same.

Representative Iverson closed. He said it would be appropriate to handle this is a special bill rather than incorporating it back into HB 33 from which it had been stricken.

MOTION: Senator Goodover moved that HB 544 be concurred in.

MOTION: Senator Eck moved as a substitute motion that the committee delay action on HB 544 until HB 33 had been heard by the Highways and Transportation Committee. The committee did not think that necessary and Senator Eck withdrew her motion.

In response to a question by Senator Eck, Mr. Norris said that if the alternate fuels were all handled together they would also be handled similarly.

Question was called and the motion carried unanimously.

CONSIDERATION OF HB 101: Vice Chairman Mazurek called for a report from the subcommittee. Senator Severson called it an exercise in

how to make a bad bill a little bit better. He gave the committee Exhibit 2 which contained two options for developing a more equitable fee system for motorcycles. Senator Severson recommended the second option as it did not raise the lower end of the current system so greatly.

Senator Eck asked how much a large bike would pay now. In answer to the question Senator Severson provided the committee with Exhibit 3.

Senator Goodover suggested that the fees should be higher than those in Senator Severson's recommendations.

Senator Eck asked if the bill applied to all terrain vehicles. Senator Severson said, yes.

MOTION: Senator Halligan moved that HB 101 be amended as follows:

1. Page 2.
Strike: lines 14 through 17 in their entirety
Insert: "

	under 200cc	200-750cc	over 750cc
less than 4 years old	$16	$40	$80
4-8 years old	$ 8	$20	$40
over 8 years old	$ 4	$10	$20"

The motion carried unanimously. Vice Chairman Mazurek said the amendments would be delivered to the President's office with a request for an amended fiscal note on the bill.

CONSIDERATION OF HB 54: The committee discussed that a study resolution request on this subject had already passed through the committee. Senator Eck said there was a bill on a similar subject in Local Government.

MOTION: Senator Neuman moved that HB 54 be tabled. The motion carried unanimously.

MOTION: Senator Hager moved that the committee reconsider its action in concurring in HB 625. The motion carried unanimously.

CONSIDERATION OF HB 625: Senator Hager explained the bill to those who were absent at the time of its hearing. Mr. Lear, committee staff, said that the current law has some problems because of the protest provisions. Senator McCallum asked about the votes allowed a condominium unit. Interpretation of that was not clear, the committee's lawyers agreed.

MOTION: Senator Hager moved to amend HB 625 per Exhibit 4.

Senator Eck said that one person with 40 percent could force the others. Senator Mazurek questioned the use of the words "ordinance" and "improvements". Mr. Lear said that this was the only protest section for this part of the code.

Senator Brown observed that the matter was confusing and the discussion could wait one more day.

CONSIDERATION OF HB 884:

MOTION: Senator Hager moved that HB 884 be concurred in. The motion carried unanimously. Senator Hager agreed to carry the bill.

CONSIDERATION OF HB 101: It was noted to the committee that the bill already carried amendments. The amended fiscal note reflected costs as the committee had anticipated.

MOTION: Senator Halligan moved that HB 101 be concurred in as amended. The motion carried unanimously and Senator Severson agreed to carry the bill.

CONSIDERATION OF HB 616:

MOTION: Senator Halligan moved that HB 616 be amended per the standing committee report attached here.

Senator Halligan reviewed the amendments saying that they dealt with the creation of a district rather than with the substance of the bill itself.

Mr. Pat Melby was recognized. He said that the bill came out of the House committee right before transmittal deadline. He said it had been amended on the floor to add language that later was found to be inappropriate. He said that the mayor should be responsible for appointment of the board. He said that originally the bill had patterned business improvement district language after the special improvement district language, but that now it was felt that a BID should not be attached statutorily to the SID language. He said the amendments provide for flexibility in assessing costs and also limit the life of the BID.

The motion carried unanimously.

MOTION: Senator Halligan moved that HB 616 be concurred in as amended.

Senator McCallum noted that there were several bills on very similar subjects.

Senator Eck said that the bill appropriately offered options to local government on the creation of the BID.

Senator Halligan said that the bill did not erode the tax base.

Question was called and the motion carried unanimously. Senator Mazurek, absent at the moment, had agreed to carry the bill.

CONSIDERATION OF HB 315: Senator Hager asked about fiscal impact of the bill. Mr Jim Lear, committee staff, told the committee that the bill had no fiscal impact and that the fiscal note carried assumptions that were incorrect. He said the exception was to the proration and not to the taxation of parks. He said park taxes would be paid by the association or the developer.

STANDING COMMITTEE REPORT

March 27, 19 85

MR. PRESIDENT

We, your committee on Taxation

having had under consideration House Bill No. 101

third reading copy (blue color)

(Senator Severson)

REVISION OF MOTORCYCLE LAWS IMPOSING A FEE IN LIEU OF TAX ON MOTORCYCLES.

Respectfully report as follows: That House Bill No. 101

be amended as follows:

1. Page 2, lines 14 through 17.
Strike: lines 14 through 17 in their entirety
Insert: "

	under 200 cc	200 cc to under 750 cc	750 cc and over
less than 4 years old	$16	$40	$80
4 to 8 years old	$ 8	$20	$40
over 8 years old	$ 4	$10	$20 "

AND AS AMENDED
BE CONCURRED IN

~~BE~~

~~BE REREFERRED~~

Chairman.

Senator Thomas E. Towe,